

240 Uran Street Hillsdale, Michigan 49242

April 29, 2010

Phone: 517-437-9100 Fax: 517-437-9101

Dear House Committee on Energy and Commerce,

Please find my comments on the Consumer Protection Safety Enhancement Act of 2010.

Since the CPSIA was passed into law, the employees of Cobra Moto, LLC have been in fear of our future. As the law is written, we will be closing our doors in May of 2011 because the costs of complying with this law will outweigh our yearly revenues. On behalf of our 30 employees (and nearly 100 family members) that rely on Cobra for their livelihood and medical benefits, we urge the committee to draft a law that will allow exceptions for products like ours that pose absolutely no risk of Lead ingestion, and we suggest you implement it in such a way that small companies can afford to apply for, and be granted such an exception.

Thank you very much for your time and attention...My comments follow:

Page 3, line 18:

1) Provision (A) of Section (2), the Functional Purpose Exception:
Part (iii) states that the commission may reject an exception based on a product having 'no measurable effect on public health'. This clause is far too broad, and it may be interpreted to mean ANY measurable effect - not one solely based on Lead ingestion. For example, baseball bats and roller skates have measurable negative affects on public health, but not in the context of the CPSIA. This clause should be reworded such that the commission must stay within the context of the CPSIA when making decisions regarding the granting of an exception.

Page 4, line 12:

2) Provision (B) of Section (2), the Functional Purpose Exception:

Part (iii) contains language particularly onerous to small companies when it states, "in determining whether to grant the exception, the Commission <u>may</u> base its decision <u>solely</u> on the materials presented by the party seeking the exception." This clause is absolutely unfair to companies that don't have massive legal and scientific research budgets, and furthermore does nothing to further the safety of children. If Company A deserves an exception based on clear scientific evidence, then Company B that produces a similar product should receive the same exception regardless of their financial resources. The clause should be re-written to state, "the Commission will base its decision on all public record data applicable to the specific product, component part, or material."





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Page 12, line 11:

3) The definition of 'Small Batch Manufacturer' is obviously based on craft production of toys or clothing, but does not serve well for most other small companies including bicycle, powersports, medical device, and sporting goods manufacturers. For example, we only produce a total of 650 units per year (well under the 7500 maximum), however, our revenues are approximately \$5M/year. Our next closest competitor turns over approximately \$1B/year, so we are definitely considered a small business in our industry. The common definition of a small company in the business world is one with sales of \$20M or less, and this same definition should be used for this legislation.

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Thank you and regards,

Sean Hilbert

President – Cobra Moto, LLC

Sen Hilbert